



U.S. Department of Justice

United States Attorney
Northern District of Georgia

Suite 1800 Richard Russell Building

75 Spring Street, S.W.

Atlanta, Georgia 30335

(404) 331-6954

January 22, 1991

Kenneth L. Millwood, Esq.
Trotter, Smith & Jacobs
400 Colony Square
1201 Peachtree Street
Atlanta, Georgia 30361

Re: Paul Henderson

Dear Mr. Millwood:

Please be advised that formal use immunity has been obtained on behalf of your client, Paul Henderson. Additionally, and in exchange for Mr. Henderson's complete cooperation, this office agrees to forego Northern District of Georgia prosecution of Mr. Henderson for violations, if any, arising from association with the Iraqi procurement network run through Matrix Churchill Corporation (MCC), Matrix Churchill Ltd. (MCL), TDG Ltd., TMC Engineering Ltd., Newcastle Ltd., Archiconsult Ltd., Tigris Trading and other companies and individuals; from the scheme to obtain BNL-Atlanta financing for this network; the terms or conditions of any Executive Order or Blocking Order related to transactions with Iraqi interests; any inaccurate or incomplete statement made to any U.S. Government official or employee prior to the date of this agreement; any immigration matter related to any MCC or MCL employee; and from any other similar transactions about which Mr. Henderson or his counsel has or will advise the government during any debriefing or through the contents of documents he provides to the government.

This non-prosecution agreement is contingent upon the following understanding: (1) that violations which remain unknown to the government following Mr. Henderson's debriefing are not covered by this agreement and (2) that Mr. Henderson has not been involved with acts of violence; has received no personal gain from illegal acts except for his salary and other benefits as an employee of MCC or MCL; has not knowingly originated illegal acts of any kind referenced above; has consistently sought to preserve MCC and MCL funds from distribution in any manner known or believed by him to be illegal.

Mr. Henderson's cooperation must include debriefings when reasonably requested by the government, as well as grand jury, trial and any other testimony requested by the government as follows:

(1) provide complete and truthful disclosure of information concerning violations of law by himself, if any, and others to federal law enforcement officers, to the United States Attorney's Office, before the grand jury, at the trial of any defendant arising out of this investigation or hearing related thereto;

(2) answer all questions completely and truthfully concerning the subject matter of this investigation and to not withhold any information;

(3) make himself available for interviews by attorneys and law enforcement officers of the government upon request;

(4) neither attempt to protect any person or entity through false information or omission, nor falsely implicate any person or entity;

(5) provide the United States with all documents, records, memoranda and the like within his care, custody or control, or to which he has legal access, which are related to the subject matter of this investigation

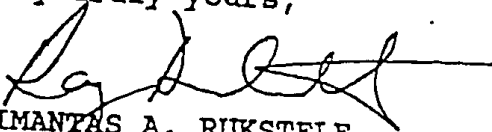
Mr. Henderson must understand that, if after the execution of this agreement, and during and as a part of this investigation or prosecution, he should commit perjury, give any false statement, commit any act of contempt or obstruct justice in relation to the matters discussed herein, the United States Attorney for the Northern District of Georgia will prosecute him for these offenses to the fullest extent provided by law and will use directly and indirectly any sworn or unsworn statements given in debriefings and/or testimony and all leads developed therefrom against him in such criminal prosecution.

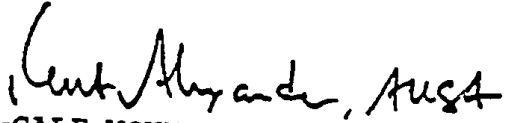
A nationwide records inquiry by the FBI and Customs has revealed no district in which Mr. Henderson is a subject, target or otherwise the focus of a criminal investigation. This search included personal contact with the Northern District of Ohio where MCC is located. Attached and incorporated here is written confirmation from the Northern District of Ohio United States Attorney's Office. Furthermore, the Northern District of Georgia United States Attorney's Office has no knowledge of, or information or belief that would suggest the existence of, any investigation elsewhere in which Mr. Henderson is a subject, target or otherwise the focus of the investigation.

In any event, the formal immunity and letter immunity obtained for Mr. Henderson will, of course, completely protect any of his grand jury, trial, or other such public testimony, debriefings or interviews. In addition, the results of all debriefings and other cooperation will not be disclosed to agencies other than those involved in the Northern District of Georgia BNL-Atlanta investigation and any Northern District of Ohio investigations or outside the Northern Districts of Georgia and Ohio without your written permission, except as necessary to effect federal prosecution within the Northern Districts of Georgia and Ohio. Moreover, the undersigned will, if so requested by Mr. Henderson, make known to officials of the British government Mr. Henderson's cooperation with this office.

The foregoing represents the entirety of the agreement between you, your client and the United States Attorney's Office for the Northern District of Georgia. If these terms and conditions are satisfactory, please have Mr. Henderson indicate his assent by signing in the space indicated below.


Very truly yours,


RIMANTAS A. RUKSTELE
FIRST ASSISTANT UNITED STATES ATTORNEY


for GALE MCKENZIE
ASSISTANT UNITED STATES ATTORNEY

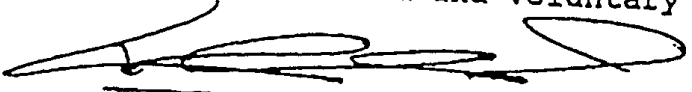
I have read this agreement and carefully reviewed every part of it with my attorney. I understand it and voluntarily agree to it.

Date: 1-22-91


PAUL HENDERSON

The undersigned are attorneys for the above listed client, Paul Henderson. We have both carefully reviewed every part of this agreement with our client, Paul Henderson. To our knowledge, his decision to enter into this agreement is an informed and voluntary one.

Date: 1/22/91


KENNETH L. MILLWOOD
ATTORNEY

Date: _____

ATTORNEY